

Minutes for WSDOT/AGC/ACEC Design-Build Team:

Attendees:

Jeff Carpenter	WSDOT-HQ	360.705.7804	carpenj@wsdot.wa.gov
Patty Lynch	WSDOT-HQ	360.705.7448	lynchp@wsdot.wa.gov
Rick Smith	WSDOT-HQ	360.705.7150	smithrick@wsdot.wa.gov
Bruce Dibert	WSDOT-UCO	206.768.5824	dibertb@wsdot.wa.gov
Kim Henry	WSDOT-UCO	206.768.5894	henryk@wsdot.wa.gov
Brian Nielsen	WSDOT-UCO	425.456.8502	nielseb@wsdot.wa.gov
Cathy Nicholas	FHWA	360.753.9412	cathy.Nicholas@fhwa.dot.gov
Don Petersen	FHWA	360.534.9323	don.Petersen@fhwa.dot.gov
Rick Scarsella	S.B.I.	253.87.7173	scarsella5@aol.com
Janiece Thoreson	Mowat	425.398.0205	janiece.thoresen@mowatco.com
Tom Zamzow	Wilder	425.551.3100	tomzamzo@wilderconstrucion.com
Mark Mulvihill	CH2M Hill	425.233.3750	mark.mulvihill@ch2m.com
Scott Sawyer	Entranco	360.570.3469	ssawyer@entranco.com

I-405 team presenters:

Kirkland – Stage 1

Denise Cieri	WSDOT-UCO	425.456.8502	cierid@wsdot.wa.gov
Wendy Taylor	WSDOT-GEC	425.456.8509	wmtaylor@hntb.com

North Renton

Ruben Benito	WSDOT-UCO	206.768.5816	benitor@wsdot.wa.gov
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The meeting began with brief introductions from the team members. There were a number of last minute cancellations which impacted the number of ACEC and AGC members present. There were a few members present who had participated in the WSDOT/AGC/ACEC Design-Build team previously.

Summary of What the team is together for:

Jeff Carpenter, HQ Construction, opened the meeting. A brief explanation of the team's role and limitations was provided.

Max Kuney, the AGC co-chair, had a last minute time conflict due to an ODOT Addendum on a design-build project his company is working on.

UCO is currently in the process of developing a number of projects which are fully funded under WSDOT's recent five cent gas tax (nickel projects). At this time it appears that the projects along the I-405 corridor will utilize design-build as a delivery mechanism.

As these design-build projects are developed WSDOT will be wrestling with a number of issues which will arise. It is hoped that these issues can be brought to this team for input as they come up.

Some areas which the team may either choose, or be asked, to comment on include:

- Project development and risk allocation
- RFQ preparation
- RFP preparation
- Evaluation/Award
- Administration of the Contract

This role extends beyond the normal WSDOT/AGC team in that it impacts project development and design elements as well as contract administration. Currently, WSDOT is in the process of reviewing and developing contractual approaches/templates for three different types of projects:

Small - < \$50 million

Projects which WSDOT could deliver utilizing the current design-bid-build approach with minimal alteration. These are projects where WSDOT will have the ability to keep control of certain items without significantly impacting the contractor.

This is a project size similar to what WSDOT utilized on its pilot project on SR 500 in Vancouver, WA.

Mid-sized - >\$50 million - - - \$??? not established

These are projects which will utilize portions of WSDOT's existing review/control and also bring in elements from around the country. It is anticipated that any areas WSDOT retains control (by extending our policies/procedures) will include extensive discussions.

Major - ??? - - - > \$1 billion

Projects which, by their very size, will require a completely new approach. The WSDOT approach to these projects will require a completely new way of doing business.

WSDOT is currently in the process of looking into a small template for the Kirkland – Stage 1 project and a mid-sized contract for the SR 167 project.

UCO Update:

Kim Henry presented on the I-405 team's approach to delivering the nickel. The recent legislation has required that UCO establish a team and deliver all nickel projects while at the same time being ready to deliver an RTID sized program.

Kim presented a handout which showed where improvements were located on the I-405 corridor. The funded nickel projects are a small portion of the ultimate 5 billion required for the complete I-405 corridor ten year implementation plan.

The currently funded nickel projects include:

Kirkland \$164 million

The Kirkland project constructs one lane from NE 70th to NE 124th northbound and one lane from SR 522 to SR 520 southbound. This project will actually be broken into two stages.

Stage 1 will include the widening of I-405 by one lane from 85th street to vic 124th street. This widening is currently limited to \$30 million and WSDOT is targeting an award (following the RFP process) of mid-2006. There is a chance that this schedule could be accelerated if the Legislature advanced funding forward.

Stage 2 will complete the improvements in the Kirkland area.

Renton \$136 Million

The Renton project includes the addition of one lane northbound from SR 181 to SR 167 and one lane southbound from SR 169 to SR 167.

Bellevue \$185 Million

The Bellevue project constructs one lane from downtown Bellevue to I-90 in each direction, including rebuilding of the Wilburton Tunnel.

The timing of these projects is tentative right now until the funding timelines are formally established. At this time, Kirkland, Stage 1 is scheduled to begin mid-2006.

Project Presentations:

Kirkland – Stage 1

Wendy Taylor and Denise Cieri made a presentation on the Kirkland Stage 1 project. The project includes the widening of I-405 by one lane through Kirkland. There are no significant environmental challenges or R/W requirements. The final design leaves very little design flexibility to modify scope in that this project will need to tie into the ultimate build-out (Stage 2 and beyond).

The use of design-build would provide WSDOT with the ability to learn the process within UCO and in the Puget Sound Basin. It would also help WSDOT work with Resource and local agencies in establishing how design-build will impact future projects.

The project does have a significant challenge of re-aligning the bridge vertically to allow for future widening. The re-alignment could be as much as six feet of grade difference. There are several approaches which could be taken in this area which would have significant impacts on both the final cost as well as the impacts to the traveling public.

North Renton.

Roland Benito, project engineer for this project, made this presentation.

North Renton project has a cost ranging from \$900 million to \$1.3 billion. The project is RTID funding dependent and has an early start date of mid-2007.

The project extends from ??? to ???

Establishment of Future agendas/Topics

Potential topic areas include:

Insurance/Bonding

OCIP – This was included in the Colorado T-REX project but is not part of WSDOT's plan. Use would require legislative action.

PLA

Use of Warranties

Use of Joint Ventures – Will they be allowed?

Limits of Subcontracting – is 30% still appropriate?

Limits of Design subcontracting?

Material Price adjustment? Appropriate?

Performance bonds. Can the amount be adjusted from the full amount of the contract.

Net worth requirement. Will WSDOT put in financial strength requirements into the RFP?

Deficient work – Should WSDOT include provisions in the contract that allow a design-builder to leave in "deficient" work rather than remove and replace? Should there be an established credit or should this be dealt with under contract?

Max payment curve – Does WSDOT want to do this? WSDOT would pay an increased price at the time of bid but it could help to very accurately project costs.

Mobilization – A "fair" mobilization policy needs to be established to permit the

Contractor to operate efficiently. GEC suggests limiting mobilization to 5% of bid, payable 25% up front, with first invoice and then maybe 3 other 25% payments.

Demobilization – Should WSDOT have an item for demobilization?

Retainage – Can partial releases of retainage be allowed?

Differing Site Conditions – Should WSDOT require an allowance? Separate bid item (max amt).

Delay Damages – Does WSDOT want to share in the risk? Liquidated damages are often insured by the contractor and the cost passed on to the owner. Does WSDOT want to assume the time while the contractor assumes the cost?

Oral proposals – Do they have a value in the RFP process?

Upset price. Should WSDOT include an “upset price”? If there is a price which makes the project a no-go then WSDOT should be up front with it.

Future Meetings: Steve Quinn, of the GEC for UCO has a scheduling conflict with these meetings. The question was brought up whether it was possible to meet on an alternate day. The consensus was that Tuesday, Wednesday, Thursday would not work and that Monday mornings didn't work either as there were staff meetings.

Individuals agreed that they would check on the possibility of a Monday afternoon meeting.